For immediate release

August 8, 2005

FISCAL HIGHLIGHTS FOR THE FIRST QUARTER, ENDED JUNE 30, 2005

Nippon Yusen Kabushiki Kaisha (NYK Line) announces the following statement of accounts for the period ended June 30, 2005.

A. CONSOLIDATED

1. Business Results (From April 1 to June 30, 2005 and 2004)

	¥Million		US$Thousand*
	Three months ended June 30, 2005	Three months ended June 30, 2004	Three months ended June 30, 2005
Revenues	430,638	372,238	3,892,954
Operating income	36,546	32,637	330,381
Other income(expenses)	(155)	(575)	(1,408)
Income before extraordinary items	36,390	32,062	328,973
Extraordinary gains(losses)	43	(1,447)	389
Net income	21,792	17,124	197,004

2. Balance Sheets (As of June 30, 2005 / March 31, 2005)

	¥Million		US$Thousand*
	Three months ended June 30, 2005	Fiscal year ended March 31, 2005	Three months ended June 30, 2005
Assets			
Current assets	417,896	399,500	3,777,769
Fixed assets	1,131,508	1,076,604	10,228,787
Deferred assets	106	121	958
Total assets	1,549,511	1,476,226	14,007,515
Liabilities			
Current liabilities	533,433	477,865	4,822,212
Long-term liabilities	555,561	541,673	5,022,250
Total liabilities	1,088,994	1,019,538	9,844,461
Interest-bearing debt	703,935	630,054	6,363,551
Minority interest	29,374	28,917	265,540
Stockholders' Equity			
Paid-in capital	88,531	88,531	800,317
Additional paid-in capital	94,421	94,421	853,563
Retained earnings	207,022	203,774	1,871,477
Unrealized gains on the holding of other securities	52,302	55,335	472,815
Foreign currency translation adjustments	(7,623)	(10,819)	(68,916)
Treasury stock	(3,511)	(3,472)	(31,742)
Total stockholders' equity	431,142	427,770	3,897,513
Total			
Liabilities, Minority interest and shareholders' equity	1,549,511	1,476,226	14,007,515

3. Revenues by Segment (From April 1 to June 30, 2005 and 2004)

	¥Million		US$Thousand*
	Three months ended June 30, 2005	Three months ended June 30, 2004	Three months ended June 30, 2005
Liner Trade	122,358	105,990	1,106,112
Other Shipping	159,614	137,180	1,442,908
Logistics	94,747	79,063	856,514
Cruise	9,820	7,513	88,776
Terminal and Harbor Transport	26,869	24,099	242,902
Real Estate	2,980	2,933	26,947
Others	37,171	33,618	336,030
Elimination & Unallocation	(22,924)	(18,159)	(207,236)
Total Revenues	430,638	372,238	3,892,954

4. Principal Financial Index

		Three months ended June 30, 2005	Three months ended June 30, 2004
Operating Profit Margin	(%)	8.5	8.8
Net Profit Margin	(%)	5.1	4.6
Return on Equity	(%)	5.1	4.7
Debt/Equity Ratio	(Times)	1.6	1.9
Earning Per Share	(¥)	17.85	14.02
Equity Ratio	(%)	27.8	25.7
Shareholders' Equity Per Share	(¥)	353.16	302.29

5. Forecast of Results for Fiscal 2005 (From April 1, 2005 to March 31, 2006)

	¥Million		US$Thousand
	Half year ending September 30,2005	Fiscal year ending March 31, 2006	Fiscal year ending March 31, 2006
Revenue	865,000	1,770,000	16,090,909
Operating income	80,000	155,000	1,409,090
Income before extraordinary items	78,000	150,000	1,363,636
Net income	47,000	90,000	818,181

These forecasts are based on various assumptions made at the date of release of these materials, including the information available at the date of release of these materials and uncertain factors that may affect future earnings. Actual earnings may differ significantly from these forecasts as a consequence of various factors.

Forecast : exchange rate ¥110.2/US$1 (July-September, 2005) and ¥110/US$1 (October, 2005-March, 2006), bunker price US$270/MT (July, 2005-March, 2006)

6. Consumed Bunker Price

	Three months ended June 30, 2005	Three months ended June 30, 2004
Average	US$244.53/MT	US$178.41/MT

7. Exchange Rate

	Three months ended June 30, 2005	Three months ended June 30, 2004
Average	¥107.28/US$1	¥108.71/US$1
End of March	¥107.39/US$1	¥105.69/US$1
End of June	¥110.62/US$1	¥108.43/US$1

B. NON-CONSOLIDATED

1. Business Results (From April 1 to June 30, 2005 and 2004)

	¥Million		US$Thousand*
	Three months ended June 30, 2005	Three months ended June 30, 2004	Three months ended June 30, 2005
Revenues	216,758	199,785	1,959,487
Operating income	17,651	19,641	159,571
Other income(expenses)	2,537	922	22,941
Income before extraordinary items	20,189	20,564	182,512
Extraordinary gains(losses)	1	(2,094)	9
Net income	12,785	11,007	115,580

2. Balance Sheets (As of June 30, 2005 / March 31,2005)

	¥Million		US$Thousand*
	Three months ended June 30, 2005	Fiscal year ended March 31, 2005	Three months ended June 30, 2005
Assets			
Current assets	228,307	220,102	2,063,887
Fixed assets	718,345	718,862	6,493,813
Deferred assets	105	120	954
Total assets	946,758	939,085	8,558,654
Liabilities			
Current liabilities	244,010	227,594	2,205,846
Long-term liabilities	341,036	345,912	3,082,958
Total liabilities	585,047	573,507	5,288,804
Interest-bearing debt	401,125	372,486	3,626,161
Stockholders' Equity			
Paid-in capital	88,531	88,531	800,317
Additional paid-in capital	93,198	93,198	842,509
Retained earnings	134,430	134,565	1,215,250
Unrealized gains on the holding of other securities	49,047	52,740	443,384
Treasury stock	(3,496)	(3,457)	(31,610)
Total stockholders' equity	361,710	365,578	3,269,850
Total			
Liabilities and shareholders' equity	946,758	939,085	8,558,654

3. Principal Financial Index

		Three months ended June 30, 2005	Three months ended June 30, 2004
Operating Profit Margin	(%)	8.1	9.8
Net Profit Margin	(%)	5.9	5.5
Return on Equity	(%)	3.5	3.4
Debt/Equity Ratio	(Times)	1.1	1.3
Earning Per Share	(¥)	10.47	9.01
Equity Ratio	(%)	38.2	36.3
Shareholders' Equity Per Share	(¥)	296.27	264.13

4. Forecast of Results for Fiscal 2005 (From April 1, 2005 to March 31, 2006)

	¥Million		US$Thousand
	Half year ending September 30,2005	Fiscal year ending March 31, 2006	Fiscal year ending March 31, 2006
Revenue	445,000	880,000	8,000,000
Operating income	46,000	92,000	836,363
Income before extraordinary items	46,000	90,000	818,181
Net income	27,000	53,000	481,818

These forecasts are based on various assumptions made at the date of release of these materials, including the information available at the date of release of these materials and uncertain factors that may affect future earnings. Actual earnings may differ significantly from these forecasts as a consequence of various factors.

Forecast: exchange rate ¥110.2/US$1 (July-September, 2005) and ¥110/US$1 (October, 2005-March, 2006), bunker price US$270/MT (July, 2005-March, 2006)

* The U.S. dollar amounts represent the calculation of exchanging Japanese yen to U.S. dollars on a basis of ¥110.62=US$1.00 (as of end of June, 2005)

Results of Operations

During the three months from April 1 to June 30, 2005, NYK Line posted consolidated revenues of ¥430.6 billion, operating income of ¥36.5 billion, income before extraordinary items of ¥36.3 billion and net income of ¥21.7 billion. These figures compare with revenues of ¥372.2 billion, operating income of ¥32.6 billion, income before extraordinary items of ¥32.0 billion and net income of ¥17.1 billion in the corresponding period of the previous term.

Overview

During the first quarter, ended June 30, 2005, consolidated revenues climbed 15.7%, buoyed by fleet expansion, which boosted shipping segment revenues, and higher revenues from the logistics segment. A sharp rise in bunker oil prices and higher railway transport charges in North America related to our liner trade business pushed up cost of sales, however, holding the expansion of operating income to 12.0%. Consequently, the ratio of operating income to revenues was 8.5%, down 0.3 percentage point from 8.8% recorded in the first quarter of the previous term. Income before extraordinary items grew 13.5%, owing to a reduction in interest expenses. Net income increased 27.3%, due to a decrease in the loss on sale of fixed assets.

The impact on income before extraordinary items of fluctuations in foreign exchange rates and bunker oil prices was as follows.

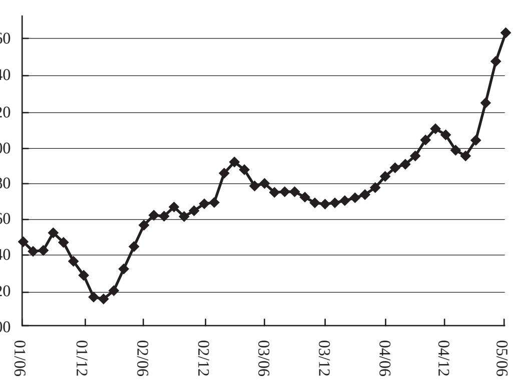
	April 1 to June 30, 2005	April 1 to June 30, 2004	Change	Impact
Average exchange rate	¥107.28 / US$1.00	¥108.71 / US$1.00	Yen up ¥1.43	– ¥0.6 billion
Average bunker oil price	US$244.53 / metricton	US$178.41 / metricton	Price up US$66.12	– ¥5.0 billion

1. A ¥1 change against the dollar has an impact of around ¥1.7 billion on income before extraordinary items.
2. A US$1 change per metric ton in the price of bunker fuel alters annual income before extraordinary items by approximately ¥300 million.

Exchange Rate Changes

June 2001 – August 2005

Changes in Bunker Fuel Prices



June 2001 – June 2005

Segment Information

<Liner Trade>

Freight volumes were generally firm, but bunker oil prices rose sharply and inland container transport costs increased. Consequently, segment revenues increased during the period, whereas income declined. Particularly on North American routes, railway transport charges increased. Also on these routes, the majority of which link to Southern China, freight volumes were briefly sluggish, affecting breakeven. On Central and South American routes, freight rates and freight volumes were both favorable.

<Other shipping>

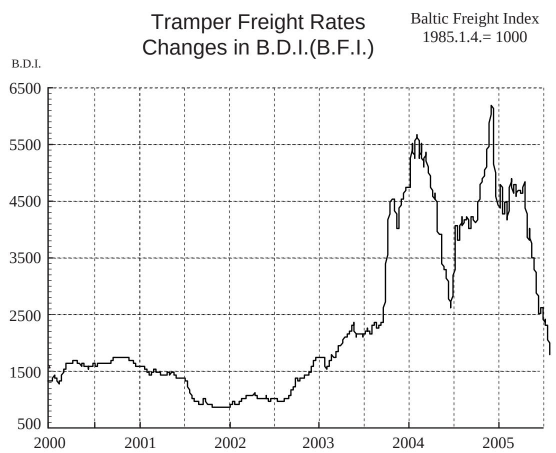
The other shipping segment comprises the tramper and specialized carrier business and the tanker business. The first transports bulk products, such as iron ore and coal, as well as cars and other products, while the second handles such energy products as petroleum and liquefied natural gas (LNG), as well as petroleum and chemical products.

Trampers and Specialized Carriers

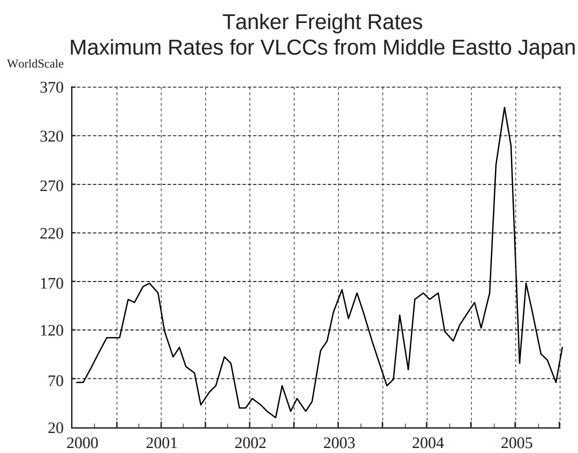
Freight demand was generally firm in car carriers business, particularly on routes from Japan to the Near and Middle East. Amid ongoing capacity shortfalls, we worked to ensure shipping stability by increasing charters and reworking shipping routes and schedules. Although the market for bulk shipping was generally soft, we sought to stabilize income through Capesize carrier operations. By reworking shipping routes and schedules, we improved deployment efficiency for Panamax and Handy-size carriers, raising income substantially. Wood chip carriers, open-hatch bulkers and reefer carriers generated steady income. As a result, the trampers and specialized carriers business posted higher revenue and income, compared with the same period of the preceding fiscal year.

Tanker Business

In the tanker business, we benefited from stable, long-term contracts for our crude oil, liquefied petroleum gas (LPG) and LNG carriers, but as a result of soft markets this business posted lower results, compared with the first quarter of the preceding term.



January 2000 – July 2005



January 2000 – July 2005

<Logistics>

NYK's aggressive implementation of Logistics Strategy Plan-II (LSP-II) in the preceding term resulted in significant year-on-year improvements in revenue and income levels. Demand for inland transport in the United States was favorable, and each of our European logistics companies posted steady profit recoveries. We worked to secure new contracts in Asia, particularly those involving distribution projects related to automobile manufacturing. Our air cargo operations enjoyed higher revenues, but rising fuel costs caused income to decline.

<Terminal and Harbor Transport>

Container handling volumes declined slightly overall, but vigorous expansion of freight volumes handled at our holding terminals in Japan, Asia and North America bolstered revenues and income, compared with the preceding term. Our efforts to overcome the operational complications that occurred on the west coast of the United States in July 2005 were successful, and we have resumed normal operations there.

<Cruise>

In the United States, cruise demand was firm in the lead up to the summer peak season. Demand in the Japanese market was strong, and the *Asuka's* final round-the-world cruise attracted a favorable number of passengers.

<Others>

Income from the real estate business dipped slightly but remained firm overall. In other services, petroleum product wholesaling operations generated significantly higher revenues, and revenues and income levels from our manufacturing and processing operations improved. Business volume in the Yokohama, Kawasaki and Setouchi regions caused revenue and income from tugboat operations to decline. In July 2005, we decided to convert Nippon Cargo Airlines Co., Ltd., to a consolidated subsidiary.

Financial Position

As of June 30, 2005, total assets were ¥1,549.5 billion, up ¥73.2 billion from one year earlier. Primary reasons for this growth were an increase in short-term loans receivable, and a ¥14.7 billion expansion in other current assets expanded ¥14.7 billion. Also, in line with our investment in fleet expansion total suspense accounts for vessels and construction in progress grew ¥45.5 billion. Total liabilities grew ¥69.4 billion, to ¥1,088.9 billion. Although the currently redeemable portion of corporate bonds decreased, short-term bank loans and an issue of commercial paper caused interest-bearing debt to rise ¥73.8 billion. Total shareholders' equity was ¥431.1 billion, up ¥3.3 billion, and the debt-equity ratio was 1.6 times.

Amendments to Forecasts of Results

As a result of the first-quarter results and factors outlined above, as well as changes in the shipping market, we revise our consolidated outlook for the fiscal year as follows.

(Billions of yen)

Forecast of Results for Fiscal Year Ending March 2006		Revenues		Operating Income		Income before Extraordinary Items		Net Income	
		Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
First half	Initial	830	430	80	46	78	46	47	27
	Revised	865	445	80	46	78	46	47	27
	Change	35	15	0	0	0	0	0	0
	Percentage change	4%	3%	0%	0%	0%	0%	0%	0%
Full year	Initial	1,680	870	155	92	150	90	90	53
	Revised	1,770	880	155	92	150	90	90	53
	Change	90	10	0	0	0	0	0	0
	Percentage change	5%	1%	0%	0%	0%	0%	0%	0%

Peformance forecast assumptions: Exchange rate 110.2 yen/US$1 (July-September, 2005) and 110yen/US$1(October, 2005-March, 2006)

Bunker oil price of US$270/ metric ton (July, 2005-March, 2006)

[Operating Risks]

The business performance forecasts contained in these materials are subject to a variety of risks and uncertainties, which may cause actual results to differ materially from those projected. These risk factors and uncertainties include the possibility of shifts in market and economic conditions that affect the NYK Group’s operations, significant changes in the shipping market, sharp fluctuations in foreign exchange rates, interest rates and fuel prices, a major accident involving NYK Group ships, and social turmoil caused by war, terrorism or infectious diseases. The items described above are some of the potential risks that the NYK Group faces, and are not intended to encompass all potential risks.